

AEGON CENTRAL EUROPEAN

EQUITY FUND

GENERAL INFORMATION

ISIN code: HU-0000702501
ISIN code (B series): HU-0000705926
Fund Manager: AEGON Magyarország Befektetési Alapkezelő Zrt.
Custodian: Citibank Europe plc Magyarországi fióktelepe
Main distributor: AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.
Distributors: CIB Bank Zrt.; Citibank Europe plc Magyarországi Fióktelepe; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Commerzbank Zrt.; Concorde Értékpapír Zrt.
Launch Date of the Fund: 16.03.1998
Currency: HUF
Launch Date of the B series: 26.10.2007
Currency: EUR
Benchmark: 80% CETOP 20 + 20% ZMAX
Net Asset Value (HUF): 4 078 438 608
Net Asset Value per share: 2.270834
Net Asset Value of the B series (EUR): 39 935.46
Net Asset Value per share: 1.922099

The asset allocation of the Fund, 28.02.2009

Hungarian Equities	21.88%
Hungarian T-bills	0.00%
Hungarian Government Bonds	15.10%
Hungarian Corporate Bonds	0.00%
International Equities	50.86%
Government paper repo	0.58%
Current account	3.99%
Other assets	7.88%
Total investment assets	100.00%
Derivative products	18.29%
Net corrected leverage	67.97%

growth expectations. EM currencies fell 3% versus the US dollar in February and unlike EM equities are already trading at new cycle lows.

Eastern Europe, especially driven by Hungary became front page news but in spite of this Hungary (-11.5% in HUF) outperformed Poland (-13.9% in PLN) and Czech Republic (-17.2% in CZK). The portfolio had underweight position compared to its benchmark but the current valuation (forward PE's EM average: 8.9, Hungary: 4.8, Poland: 6.6, Czech Republic: 6.5) level seems to be attractive now although equity markets still has large downside risk.

NET Yield Performance of the Fund:

Time Horizon	12 months	2008 year	2007 year	2006 year	2005 year	2004 year
Net Return of the fund ^a HUF	-48.73%	-40.93%	20.99%	28.80%	35.42%	41.14%
Net Return of the fund ^b EUR	-54.67%	-43.48%				
Benchmark performance*	-46.22%	-40.03%	8.80%	20.07%	34.00%	34.50%

^a It shows the net performance of the fund until 28/02/09;
The Fund was launched on 16/03/98
^b It shows the net performance of the fund until 28/02/09;
The Fund was launched on 26/10/07
 * The net return of the benchmark index.

THE NET PERFORMANCE OF THE FUND BASED ON THE NET ASSET VALUE PER SHARE



Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.

Investment Policy of the Fund:

The primary aspect by forming the composition of the fund is to optimise the aggregate exposure of the securities. Besides keeping and eye on the macro economical background, the fund manager uses fundamental analyses to build a well-balanced long-term equity investment portfolio. The fund manager applies widespread diversification to minimize the risk of the portfolio, and periodically also uses derivative instruments to hedge. The AEGON Domestic Equity Fund changed its name at the end of December 2006 to AEGON Central European Equity Fund. The fund uses the new investment policy form 8 January 2007. From 1998 to 2006 the Fund invested only in Hungarian stocks, and from 2007 it started investing in CEE stocks. The reason of the change was the falling number of liquid Hungarian stocks due mergers and delistings. Investing in CEE stock also lowers the risk of the portfolio. After managing one of the best performing domestic equity fund, we hope that we will reach similar outstanding performance in the future by investing in the CEE market. Certainly the fund changed its benchmark also from 80% RAX + 20% RMAX to 80% CETOP20 + 20% ZMAX.

Investment horizon:

Suggested minimum investment period

☐ 3 months ☐ 1 year ☐ 2 years ☒ 3 years ☐ 5 years

Risc Scale

☐ very low ☐ moderate ☒ high

Market Summary:

In February the Dow Jones Industrials Index plunged 11.7%, worst Feb drop since 1933. Six-month decline in S&P500 (-42.7%) has been the worst since Jan-June 1932. Emerging market (EM) equities dropped 5.7% in February and developed markets fell 10.5%. EM's third month of outperformance was driven by light positioning, outperforming banks, big policy ease and Chinese